Federal Communications Commission 445 12th Street, S.W. Washington, D.C. 20554

News Media Information 202 / 418-0500 Fax-On-Demand 202 / 418-2830 TTY 202 / 418-2555 Internet: http://www.fcc.gov ftp.fcc.gov

DA 06-2042

Released: October 17, 2006

DOMESTIC SECTION 214 APPLICATION FILED FOR THE TRANSFER OF CONTROL OF ETS TELEPHONE COMPANY, INC. FROM JEFFERSON TELECOMMUNICATIONS PARTNERS, LTD. TO BOSTON VENTURES LIMITED PARTNERSHIP VII

STREAMLINED PLEADING CYCLE ESTABLISHED

WC Docket No. 06-186

Comments Due: October 31, 2006

Reply Comments Due: November 7, 2006

On September 25, 2006, Jefferson Telecommunications Partners, Ltd. ("Jefferson") and Boston Ventures Limited Partnership VII ("Boston Ventures"), filed an application, pursuant to section 63.04 of the Commission's rules, 1 requesting authority to transfer control of ETS Telephone Company, Inc. ("ETS"), and its parent company, En-Touch Systems, Inc. ("En-Touch") (collectively, "Applicants"), from Jefferson to Boston Ventures. 2

Applicants assert that this transaction is entitled to presumptive streamlined treatment under section 63.03(b)(2)(i) of the Commission's rules because the proposed transaction would result in: (1) Boston Ventures having a market share in the interstate, interexchange market of less than 10 percent, and (2) Boston Ventures providing competitive telephone exchange services or exchange access services (if at all) exclusively in areas served by a dominant local carrier not a party to the transaction, and (3) neither of the Applicants is dominant with respect to any service.³

ETS, a Texas corporation, is a wholly-owned subsidiary of En-Touch, also a Texas corporation. ETS, is a competitive local exchange carrier ("LEC") providing voice services to approximately 10,000 residential and business customers in the Houston, Texas area. Specifically, ETS provides local and long

¹ 47 C.F.R. §§ 63.03, 63.04; see 47 U.S.C. § 214.

² Applicants have also filed an application for transfer of control associated with authorization for international services. Any action on this domestic 214 application is without prejudice to Commission action on other related, pending applications. On October 13, 2006, Applicants filed a supplement to their application. *See* Application for Authority to Transfer Control of ETS Telephone Company, Inc. from Jefferson Telecommunications Partners, Ltd. to Boston Ventures Limited Partnership VII, Supplement to Initial Application, WC Docket No. 06-186 (filed October 13, 2006).

³ 47 C.F.R. § 63.03(b)(2)(i).

distance services (including 1+ and toll free) under the names ETS Telephone Company, Inc. and En-Touch Systems. Jefferson, a Texas limited partnership, is currently the majority shareholder of En-Touch.

Boston Ventures, a Delaware limited partnership, is a private equity firm with current assets that include a competitive local exchange carrier, cable television systems, and a rural cellular provider. Its current communications portfolio includes Integra Telecom, Inc., an Oregon corporation providing local telephone service in Arizona, California, Idaho, Minnesota, Nevada, North Dakota, Oregon, Utah, and Washington. Integra also offers long distance and data services in all states. Applicants state that Integra does not provide service in any area that overlaps the ETS service area. Hartford Life Insurance Company (Hartford Life) (11%) and Hartford Fire Insurance Company (Hartford Fire) (11%) own more than a 10% equity interest in Boston Ventures. Hartford Financial Services, the parent of Hartford Life and Hartford Fire, is a Delaware corporation that is publicly traded and has no shareholders with a ten percent or greater interest.

Under the terms of the proposed transaction, Boston Ventures will acquire control of En-Touch, the parent company of ETS, and thus will obtain the majority controlling interest in ETS. The parties have agreed to create two new entities, En-Touch Holdings, LLC ("Holdings"), a Delaware limited liability corporation, and its subsidiary, En-Touch Acquisition Corp. ("Merger Sub"), a Delaware corporation. Following consummation of the proposed transaction, the only ten percent or greater owner of En-Touch Holdings, LLC will be Boston Ventures, which will hold approximately 84 percent of the ownership interest. The parties have agreed to the transfer of control of En-Touch to Boston Ventures by means of the merger of Merger Sub with and into En-Touch, with En-Touch continuing as the surviving corporation and as a wholly-owned subsidiary of Holdings.

Applicants state that the proposed transaction will serve the public interest. Applicants submit that the proposed transaction will be transparent to customers and that ETS will continue to provide service without a change in rates, terms, or conditions. Applicants further contend that the telecommunications providers that Boston Ventures owns or controls do not provide service in the area served by ETS, and thus the proposed transaction will not adversely affect competition.

GENERAL INFORMATION

The transfer of control identified herein has been found, upon initial review, to be acceptable for filing as a streamlined application. The Commission reserves the right to return any transfer of control application if, upon further examination, it is determined to be defective and not in conformance with the Commission's rules and policies. Pursuant to sections 1.415 and 1.419 of the Commission's rules, 47 CFR §§ 1.415, 1.419, interested parties may file comments on or before October 31, 2006 and reply comments on or before November 7, 2006. Unless otherwise notified by the Commission, Applicants are permitted to transfer the assets and related control on the 31st day after the date of this notice. Comments may be filed using: (1) the Commission's Electronic Comment Filing System (ECFS), (2) the Federal Government's eRulemaking Portal, or (3) by filing paper copies. See Electronic Filing of Documents in Rulemaking Proceedings, 63 FR 24121 (1998).

⁴ See 47 C.F.R. § 63.03(a).

⁵ Such authorization is conditioned upon receipt of any other necessary approvals from the Commission in connection with the proposed transaction.

- Electronic Filers: Comments may be filed electronically using the Internet by accessing the ECFS: http://www.fcc.gov/cgb/ecfs/ or the Federal eRulemaking Portal: http://www.regulations.gov. Filers should follow the instructions provided on the website for submitting comments.
- For ECFS filers, if multiple docket or rulemaking numbers appear in the caption of this proceeding, filers must transmit one electronic copy of the comments for each docket or rulemaking number referenced in the caption. In completing the transmittal screen, filers should include their full name, U.S. Postal Service mailing address, and the applicable docket or rulemaking number. Parties may also submit an electronic comment by Internet e-mail. To get filing instructions, filers should send an e-mail to ecfs@fcc.gov, and include the following words in the body of the message, "get form." A sample form and directions will be sent in response.
- Paper Filers: Parties who choose to file by paper must file an original and four copies of each filing. If more than one docket or rulemaking number appears in the caption of this proceeding, filers must submit two additional copies for each additional docket or rulemaking number.

Filings can be sent by hand or messenger delivery, by commercial overnight courier, or by first-class or overnight U.S. Postal Service mail (although we continue to experience delays in receiving U.S. Postal Service mail). All filings must be addressed to the Commission's Secretary, Office of the Secretary, Federal Communications Commission.

The Commission's contractor will receive hand-delivered or messenger-delivered paper filings for the Commission's Secretary at 236 Massachusetts Avenue, N.E., Suite 110, Washington, D.C. 20002. The filing hours at this location are 8:00 a.m. to 7:00 p.m. All hand deliveries must be held together with rubber bands or fasteners. Any envelopes must be disposed of <u>before</u> entering the building. Commercial overnight mail (other than U.S. Postal Service Express Mail and Priority Mail) must be sent to 9300 East Hampton Drive, Capitol Heights, MD 20743. U.S. Postal Service first-class, Express, and Priority mail should be addressed to 445 12th Street, S.W., Washington D.C. 20554.

People with Disabilities: To request materials in accessible formats for people with disabilities (braille, large print, electronic files, audio format), send an e-mail to fcc504@fcc.gov or call the Consumer & Governmental Affairs Bureau at 202-418-0530 (voice), 202-418-0432 (tty).

You may submit comments, identified by the above noted docket number, by any of the following methods:

- Federal eRulemaking Portal: http://www.regulations.gov. Follow the instructions for submitting comments.
- Federal Communications Commission's Web Site: http://www.fcc.gov/cgb/ecfs/. Follow the instructions for submitting comments.
- People with Disabilities: Contact the FCC to request reasonable accommodations (accessible format documents, sign language interpreters, CART, etc.) by e-mail: FCC504@fcc.gov or phone: 202-418-0530 or TTY: 202-418-0432.

In addition, one copy of each pleading must be sent to each of the following:

- (1) The Commission's duplicating contractor, Best Copy and Printing, Inc., 445 12th Street, S.W., Room CY-B402, Washington, D.C. 20554, www.bcpiweb.com; phone: (202) 488-5300 fax: (202) 488-5563;
- (2) Cecilia Seppings, Competition Policy Division, Wireline Competition Bureau, 445 12th Street, S.W., Room 5-A103, Washington, D.C. 20554; email: cecilia.seppings@fcc.gov;
- (3) Dennis Johnson, Competition Policy Division, Wireline Competition Bureau, 445 12th Street, S.W., Room 5-B155, Washington, D.C. 20554; e-mail: dennis.johnson@fcc.gov;
- (4) Susan O'Connell, Policy Division, International Bureau, 445 12th Street, S.W., Room 7-B544, Washington, D.C. 20554; email: susan.o'connell@fcc.gov; and
- (5) James Bird, Office of General Counsel, 445 12th Street, S.W., Room 8-C824, Washington, D.C. 20554; e-mail: james.bird@fcc.gov.

Filings and comments are also available for public inspection and copying during regular business hours at the FCC Reference Information Center, Portals II, 445 12th Street, S.W., Room CY-A257, Washington, D.C. 20554. They may also be purchased from the Commission's duplicating contractor, Best Copy and Printing, Inc., Portals II, 445 12th Street, S.W., Room CYB402, Washington, D.C. 20554, telephone: (202) 488-5300, fax: (202) 488-5563, or via e-mail www.bcpiweb.com.

For further information, please contact Cecilia Seppings at (202) 418-1588, or Dennis Johnson at (202) 418-0809.